Christine Jines Corporate Manager-Federal Regulatory

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SBC Communications Inc. 1401 I Street, N.W. Suite 1100 Washington, D.C. 20005 Phone 202 326-8879 Fax 202 408-4806



EX PART

JOCKET FILE COPY ORIGINAL

September 17, 1997

# **EX PARTE**

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, NW Room 222 Washington, DC 20554 SEP 1 7 1997
FEDERAL COMMUNICATIONS COMM

Re: CC Docket No 94-129 - In the Matter of the Subscriber Carrier Selection Changes Provisions of the Telecommunication Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers

Dear Mr. Caton:

Today, the attached letter and attachments regarding the above mentioned docket was sent to Mr. Robert Spangler, Acting Chief - Enforcement Division with a copy to Mr. John Muleta, Acting Deputy Chief - Common Carrier Bureau.

In accordance with 47 C.F.R.§ 1.1206(a)(1) of the Commission's rules, the original of this letter and one copy are being filed with your office. Acknowledgment and date of receipt are requested. A duplicate of this letter is included for this purpose.

Sincerely,

Chris Janes
Attachment

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September 17, 1997

Mr. Robert Spangler
Acting Chief, Enforcement Division
Federal Communications Commission
Common Carrier Bureau
2025 M St., N.W.
Washington, D.C. 20554

Dear Mr. Spangler:

On September 15, 1997, Pacific Bell and Southwestern Bell Telephone Company teamed up with local Better Business Bureaus and local media to launch an Anti-Slamming education campaign - "HANG UP ON SLAMMING". The purpose of this campaign is to create awareness and to educate our customers on slamming - what it is, how it happens, what to do if you get slammed and how to prevent it.

In addition to TV, Radio and Newspaper coverage, we distributed brochures at community outreach events and through various consumer groups. As a result, this may generate questions to your office, so I have provided you with copies of both the Pacific Bell brochure and the Southwestern Bell brochure. Also included is a press release and various news clips regarding SBC's "Three-Strikes-And-You're-Out" proposal.

If your office would like additional copies or has any questions relating to these brochures, please call Sandy McGreevy at Pacific Bell (415) 542-4201 or B.J. Mamuzik at Southwestern Bell on (314) 331-2415.

Sincerely,

Attachment

cc: Mr. John Muleta

Chris Jones



Contact: Shawn Ramsey at 314.982-9187. or Beth Randolph at 314.982-1791

# SBC URGES FCC TO CRACK DOWN ON SLAMMING. IMPOSE 'THREE-STRIKES-AND-YOU'RE-OUT' PENALTY

Southwestern Bell, Pacific Bell, Nevada Bell customers to benefit from pledge to help, new procedures for disputes

Slamming is No. 1 complaint to FCC, likely to surge with competition in local, toll service

**SAN ANTONIO.** Texas. Sept. 15, 1997 -- Striking a blow on behalf of telephone customers everywhere. SBC Communications Inc. today proposed that the Federal Communications Commission adopt a "three-strikes-and-you're-out" approach to penalizing telecommunications companies that repeatedly engage in slamming.

Slamming – the unauthorized changing of a customer's telecommunications provider – is a significant and increasing problem for customers of SBC companies. Southwestern Bell, Pacific Bell and Nevada Bell, as well as consumers and, increasingly, businesses nationwide.

Slamming is addressed in the Telecommunications Act of 1996, and the FCC recently issued a Further Notice of Proposed Rulemaking asking the telecommunications industry to provide input on specific rules that would protect consumers and businesses. SBC is urging the agency to act quickly since experts predict that slamming will only increase further as competition heats up in long-distance, as well as toll and local-service calling.

SBC's position is that one slammed customer is one too many, and that customers must be treated right. Additionally, SBC is proposing that the FCC impose a three-part penalty system that is enforced whenever more than 2 percent of a carrier's change orders for new customers are disputed in any given month.



# Add One/SBC Files With FCC on Slamming

The enforcement would begin with a six-month probation, increase to fines, and ultimately, result in additional fines as well as the carrier being suspended from submitting any change orders for new customers, effectively eliminating further chances to slam customers. The approach was developed after extensive analysis of the companies' slamming dispute records, recent regulatory actions in California which have helped curb problems, and fines and penalties that have been levied in several high-profile slamming cases around the country. The approach also reflects the companies' findings that approximately 15 percent of carriers account for 75 percent of slamming disputes. (See attached fact sheet for details.)

"A few rogue companies have given the entire telecommunications industry a bad name, and consumers and businesses want a stop to the slamming madness," said Royce Caldwell, operations president over all SBC companies. "We pledge to go the distance to help our customers, and indeed all telephone customers across the country, alleviate the headaches, frustrations and costs of slamming."

Southwestern Bell. Pacific Bell and Nevada Bell are required to serve as billing and collections agents for many telecommunications providers, and as such, must make changes to customer accounts on behalf of those companies. However, when customers call to complain that they have been slammed, the SBC companies function as intermediaries and advocates for customers, ensuring customers are ultimately returned to their provider of choice, switching fees are rebated and long-distance calls are re-rated.

"We're on the frontlines helping our customers -- an estimated 660,000 this year alone -- to resolve slamming disputes. But, unfortunately, we're caught in the middle and are therefore urging the FCC to implement a 'three-strikes-and-you're-out' method of dealing with telecommunications providers who clearly violate a customer's right to choice -- and the law," said Caldwell.

In addition to the proposal to the FCC. SBC has stepped up its own procedures for handling slamming complaints by retraining all of its customer service staff and implementing several new procedures to ensure that disputes are handled quickly, efficiently and to customers' satisfaction. The companies also are providing a free brochure on preventing slamming to every customer who calls with a slamming problem.

# Add Two/SBC Files With FCC on Slamming

In addition. Southwestern Bell and Pacific Bell, working with local Better Business Bureaus and consumer groups, are relaunching a public service campaign called "Hang Up On Slamming" to help customers in their service areas avoid being slammed and educate them about their rights if they are victimized.

In June. SBC was the first and only telecommunications company to formally petition the FCC to develop and implement rules that would strengthen laws and penalties against companies that repeatedly slam consumers and businesses. SBC is also supportive of state legislative and regulatory initiatives in Texas and California that would crack down on slamming.

Southwestern Bell estimates it will handle nearly 500,000 stamming complaints this year in its local service area of Texas. Oklahoma, Missouri. Arkansas and Kansas -- a more than 30 percent jump over 1996. Thanks to stricter state laws, overall stamming complaints by Pacific Bell customers have decreased somewhat but complaints by business customers have risen sharply. The FCC, in its most recent "Common Carrier Scorecard," reports that stamming is its No. 1 telephone customer complaint, with the number of complaints tripling since 1994.

For more information, customers may call to receive a free informational brochure called "Hang Up On Slamming" or visit http://www.swbell.com or http://www.pacbell.com (Southwestern Bell residential customers, 1-800-585-SWBT, business customers, 1-800-559-SWBT; Pacific Bell residential customers, 1-800-310-BELL, business customers, 1-800-750-BELL; Nevada Bell customers with slamming questions may dial 811).

Southwestern Bell Telephone Co.. Pacific Bell and Nevada Bell provide basic and leading-edge telephone services and products to business and residential customers in Texas. Missouri. Oklahoma. Arkansas. Kansas. California and Nevada. They are companies of SBC Communications Inc., a global leader in the telecommunications industry, with more than 32 million access tines and nearly 5 million wireless customers across the United States, as well as investments in telecommunications businesses in 10 countries. Under the Southwestern Bell, Pacific Bell, Nevada Bell and Cellular One brands, the company, through its subsidiaries, offers a wide range of innovative services, including local and long distance telephone service, wireless communications, paging, Internet access, cable TV and messaging, as well as telecommunications equipment, and directory advertising and publishing. SBC (www.sbc.com) has more than 114,000 employees and reported 1996 revenues of \$23.5 billion. SBC's equity market value of \$56.5 billion (as of June 30, 1997) ranks it as one of the five largest telecommunications companies in the world.

All Media: "Hang Up on Slamming" brochures are available upon request. Graphics with slamming statistics are available through the NewsCom bulletin board system; http://www.newscom.com; http://www.featurephoto.com; FPSphoto.com on AOL; or by calling 1-800-001-NEWS.

<u>TV Media:</u> b-roll is available by satellite on Monday, Sept. 15, 11:30 a.m.-12 p.m. EDT. Coordinates -- C-Band: Galaxy 6/Transponder 2/Audio 6,2 & 6.8

Radio Media: an audio feed is available by calling 1-888-566-0814.

# <u>ON BEHALF OF CUSTOMERS OF</u> SOUTHWESTERN BELL, PACIFIC BELL, NEVADA BELL

## NOTE:

SBC is proposing that all carriers, even those that slam only one customer, must:

- Reimburse the customer for charges over and above what the original carrier would have billed as well as any fees associated with changing carriers
- Reimburse the original authorized company for all lost revenues for the slammed period, including any and all associated costs
- Reimburse the local phone company for any and all expenses associated with the slams, including cost of investigating disputes and correcting service

## STRIKE I -- PROBATION

#### Offense:

- More than 2 percent of a carrier's order changes for new customers are disputed in any given month Penalty:
- Six-month probation under which the offending company will be required to implement steps to reduce slamming to below the 2 percent threshold level

## STRIKE II -- FINES

## Offense:

 Violates terms of probation under Strike I by again having more than 2 percent of order changes for new customers disputed in any subsequent month during the probationary period

#### Penalty:

A fine of \$5,000 per slam to be paid to authorized regulatory agency

## STRIKE III - ADDITIONAL FINES, SUSPENSION

#### Offense:

 Again violates the more than 2 percent a month penalty threshold and/or ignores penalties during probationary period

#### Penalty:

- Additional fines of up to \$10,000 per slam paid to authorized regulatory agency, in addition to the Strike II penalties
- Suspension from submitting any further service order changes, effectively eliminating the chance to slam customers



# Major News Summary

For SBC Communications Inc. Executive Group Internal Distribution

# Monday, September 15, 1997

SBC Plan Goes After Slammers — Southwestern Bell and Pacific Bell are asking federal regulators to adopt a "three-strikes-and-you're-out" plan to end slamming — the unauthorized switching of telephone customers' long distance service. Under the plan that is SBC Communications' response to the FCC's request for proposals, slamming violators would face stringent and progressive penalties leading to the suspension of their privileges to switch new customers to their service. Slamming is one of the top consumer complaints nationwide. San Antonio Express News, online version; St. Louis Post-Dispatch, 2BP; Austin American Statesman, 1B; Arkansas Democrat Gazette, online version; Associated Press, overnight.

PacBell in Fight with Tough Rival — Pacific Bell is challenging the fairness and validity of the bidding process that the city of San Diego used to select its telecommunications carrier. In August, San Diego became the first city to leave a Bell company when it chose TCG San Diego to provide its telecommunications services. San Diego Union-Tribune, online version.

ISDN, Cable Modems Add to Internet Choices — As cable modems continue to make their way to the Internet market, some experts are instead recommending an integrated services digital network (ISDN) connection for Web consumers who want a faster connection than the standard modem. Although very fast, cable modems can be expensive and will most likely have the greatest appeal to heavy Internet users or those engaged in electronic commerce. ISDN connections are more popular, as Southwestern Bell and Pacific Bell have installed almost 209,000 ISDN lines in their regions. San Antonio Express News, 1E.

A New Labyrinth for Phone Customers — Currently, it is possible for a telephone customer's call to a neighboring town to be more costly than a call to an opposite coast. But this trend most likely will become less frequent as more of the traditional long-distance companies begin to enter the regional calling business and offer lower prices for toll calls. <u>The New York</u> <u>Times</u>, 14C (Sept. 14).

Is AOL a Leviathan Or a Dinosaur? — As America Online Inc. has secured its place as the world's largest online service provider, the company will most likely see its biggest competition now coming from the Web itself. Everything that made AOL unique is now available on the Internet, or will be soon. The company may also be competing against Microsoft Corp.'s WebTV venture once it enters the Internet service market. The Wall Street Journal, 22A.

# Arkansas Democrat To Gazette

Monday, September 15, 1997

# Firm Wants FCC to Slam 'Slamming'

ANDREW MOREAU
Arkansas Democrat-Gazette

Southwestern Bell Telephone Co. wants federal regulators to get more aggressive in cradicating "slamming" of its customers.

Slamming is changing a customer's long-distance provider without informing him. It is used by newer telecommunications companies to build a customer base.

The regional phone company, acting through its parent SBC Communications Inc., favors a "three-strikes-and-you're-out" approach to prevent slamming. The proposal was to be filed today with the Federal Communications Commission, which is considering a

"Rogue companies have given the entire telecommunications industry a bad name, and consumers and businesses want to stop the slamming madness," said Mike Gilliam, regional president for Southwestern Bell in Arkansas.

new get-tough policy.

"It's just an ever-growing problem," Gilliam said, noting that Southwestern Bell expects to field 32,000 complaints in Arkansas by year's end. And the company estimates it will handle about 500,000 complaints in its five-state territory of Arkansas, Texas, Oklahoma, Missouri and Kansas.

"The companies have gotten slicker and slicker at doing it," Gilliam said, noting that efforts to educate consumers have not been effective enough. "They've gotten better at working around the system."

In its filing, Southwestern Bell recommends a three-part penalty that would be enforced whenever more than 2 percent of a carrier's change orders for new customers are disputed in any given month. The

penalty begins with six months of probation, then includes a \$5,000 fine per slam and the third phase is a \$10,000 fine per slam and possible suspension from signing up new customers.

"There's not really any downside or disincentive or penalty for slammers universally across the United States," Gilliam said. "The worst that happens now is customers call and complain."

However, Arkansas does allow for a \$10,000 fine per misrepresentation for each slamming violation, according to Jordan Abbott, an assistant attorney general. The attorney general favors an aggressive stance nationally to wipe out the problem, which has become increasingly troublesome, Abbott said.

"Our experience is the problem has become much worse," he said, noting that new companies "use unscrupulous and unethical business practices to build their customer base."

Arkansas Attorney General Winston Bryant will join attorneys general across the nation in filing comments with the FCC as well, Abbott said, though he did not reveal details of what the coalition will propose.

The FCC is taking comments from the telecommunications industry and other interested parties as it considers drafting new rules to curb slamming.

SBC has asked regulators to act quickly since there is no evidence the problem is slowing even after implementation of the education initiatives. "Education works, but it doesn't solve it," Gilliam said.

Southwestern Bell has restarted a campaign with the Arkansas Better Business Bureau to help customers avoid slamming. But the proposals

before the FCC address the larger national issue.

"We see it as an extremely serious problem that's growing exponentially across the United States," Gilliam added. "It's hurting our reputation and it's frustrating our customers."

Southwestern Bell is the largest local telephone company in Arkansas with more than 900,000 customers in all metropolitan areas.

# ST LOUIS POST-DISPATCH

Monday, September 15, 1997 BUSINESS PLUS, Page 2BP

# Southwestern Bell's Plan Would Go After Slammers

By Jerri Stroud
Of the Post-Dispatch Staff

Southwestern Bell wants federal regulators to adopt a "three-strikes-and-you're-out" plan to end slamming — the unauthorized switching of telephone customers' long-distance service.

Under a plan that Bell and its parent, SBC Corp., will submit to federal regulators today, slamming violators would face stringent and progressive penalties leading to suspension of their privileges to switch new customers to their service.

Slamming is one of the top consumer complaints nationwide. The Federal Communications Commission has asked telephone companies to submit proposals on ways to end slamming, and the Bell proposal will be among them.

"Rogue companies have given the entire telecommunications industry a bad name," said Debbie Beamer of Southwestern Bell. "Consumers and businesses want a stop to the slamming madness," which will affect an estimated half a million Southwestern Bell customers this year.

Beamer said the companies constantly come up with new schemes to trick telephone customers into changing their service, including bogus contests, forged signatures and misrepresenting themselves as agents of telephone companies.

In a recent case, a Southwestern Bell customer got a call saying her husband had signed a paper that authorized switching the customer's service to another long-distance company. The customer replied that that would have been impossible because her husband had been dead for 20 years, Beamer said.

Southwestern Bell says complaints about slamming are up 18 percent in Missouri this year. The company handles more than 4,100 complaints in the state. Complaints are up even more in other states. In Texas, the company handles an average of 28,500 complaints a month, up 112 percent from last year.

Under the Bell plan, a carrier would go on probation if complaints were filed on more than 2 percent of the change orders submitted by a carrier in any given month. The company would then be put on probation for six months and would be required to take steps to reduce the number of complaints to less than 2 percent.

If the carrier violated its probation, the carrier would be fined \$5,000 for each slam, with fines paid to the appropriate regulator.

Failure to pay fines or reduce complaints would boost fines to \$10,000 per slam. The company also would be suspended from submitting any new change orders.

Southwestern Bell also wants offending carriers to:

- Pay for any charges in excess of what a customer's original carrier would have billed for service.
- Pay any fees charged to customers for switching carriers.
- Reimburse the original authorized carrier for lost revenue resulting from slamming and other associated costs.
- Reimburse the local telephone company for expenses of investigating slamming disputes and correcting service changes due to slamming.

In addition, Southwestern Bell and Missouri Attorney General Jay Nixon have launched an education campaign designed to help customers avoid slamming. The campaign, called "Hang up on Slamming" includes free brochures that alert consumers about various scams, their rights if they are slammed and ways to prevent slamming.

Residential customers can request brochures by calling 1-800-363-1233. Businesses can get brochures by calling 1-800-559-7928.

# THE DAILY OKLAHOMAN

The State Newspaper Since 1907

# Wednesday, September 17, 1997

# **Commission Seeks Slamming Solutions**

The state Corporation Commission on Tuesday launched an effort to gather suggestions on how the agency should crack down on telecommunications carriers that engage in "slamming."

Slamming is the illegal switching of a phone customer's long-distance service from one provider to another without the customer's approval.

Industry officials have expressed concern the practice could spread to the local service arena as competition develops in that market.

In a notice of inquiry issued Tuesday, the commission said agency rules may have to change to better protect telephone customers from market abuses while still promoting telecommunications industry competition.

The commission is accepting written comments and is scheduled to conduct a public hearing on the slamming inquiry Oct. 30.

Slammers are becoming more deceptive and pose an even greater inconvenience and aggravation to their victims. Customers are robbed of their choice and then must try, with the help of Southwestern Bell or their local phone company, to resolve the problem, which can take hours, days or even months.

A Growing Problem. Despite campaigns by Southwestern Bell, the Federal Communications Commission (FCC) and local Better Business Bureaus to educate consumers and businesses on how to protect themselves against slamming, the problem is increasing. What's more, experts predict it will rise even more sharply as competition increases in long-distance as well as toll and local service calling.

In 1996, Southwestern Bell assisted **over 378,000** customers in Texas, Oklahoma, Missouri, Arkansas and Kansas who believed they had been victimized by long-distance providers, their resellers or affiliated promotional companies. Southwestern Bell estimates that it will handle **nearty 430,000** slamming complaints in 1997 — a **nearty 15 percent increase** over 1996. The FCC, in its most recent "Common Carrier Scorecard," reports that **slamming is the No. 1 concern of telephone customers**, with the number of complaints **tripling** since 1994. Although the Telecommunications Act of 1996 contains provisions to strengthen laws regarding slamming, there aren't yet specific rules to implement them.

New Problems. Recently, a new issue has appeared that, to consumers, seems like slamming but, in fact, the long-distance provider has legally "sold" all or part of their account to another long-distance company or billing agent. In these cases, Southwestern Bell will help its customers obtain a refund from the company for any switching charges and adjust the long-distance charges so that they won't have to pay any more than they would have been charged had the account not been sold. If customers wish to return to their original provider, Southwestern Bell will assist them in contacting that company. However, Southwestern Bell cannot make the change or provide adjustments; these must be done by the original long-distance company.

A Pledge to Help. Southwestern Bell has a long history as a trustworthy and reliable provider of telecommunications services. True to our slogan, "Your friendly neighborhood global communications company," we care about our customers and pledge to help them if and when they are slammed.

Southwestern Bell is required by law to process orders submitted by other telecommunications companies to change the long-distance service on customer accounts. Although Southwestern Bell is not responsible for slamming incidents, our customers rely on us to help them resolve the problem. When customers think they have been slammed, Southwestern Bell customer service personnel serve as advocates and intermediaries, assisting customers so they ultimately are returned to their provider of choice and compensated for the costs related to the unauthorized change.

Your friendly neighborhood global communications company.





(2) Southwestern Bell

deceptive practice
in which a
consumer's
or business'
long-distance
service is switched
without their
knowledge
or permission.

is a

# If you have been slammed, or think you've been slammed...

- Call Southwestern Bell at 1-800-585-7928 to determine if you've been slammed or "sold" to another long-distance provider. Business customers should call 1-800-559-7928.
- > Southwestern Bell customer service representatives will serve as your advocate and switch you back to your preferred provider if you've been slammed.
- ➤ Southwestern Bell customer service representatives also will assist you in having the offending company adjust your charges during the slammed period so you will not have to pay more than you normally would have been charged.
- ➤ Upon request, Southwestern Bell customer service representatives will mail a form to sign and return to Southwestern Bell that prohibits any company from changing your service without your written permission.
- ➤ Report the slam to the Federal Communications Commission or a federal or state consumer fraud agency such as:

Federal Communications Commission 202-632-7553

Your State Attorney General's Office

Your Local Better Business Bureau

➤ If you would like additional brochures to share with family, friends and associates, call 1-800-585-7928. Business customers should call 1-800-559-7928.

# **Know Your Rights**

Customer's Bill of Rights For Slamming

Unfortunately, Southwestern Bell and state and federal officials cannot solve the problem of slamming alone. Consumers and businesses must protect themselves by understanding the problem and knowing their rights.

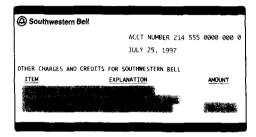
- ➤ It is your right to choose your telecommunications provider.
- ➤ If you are slammed, in many states, you have the right to insist the offending company pays the \$5 to \$6 switching fee, so that you do not have to pay it.
- ➤ You have the right to insist the offending company adjusts the long-distance charges for calls made during the slammed period so you will not have to pay more than you normally would have been charged.
- ➤ You have the right to request that any changes to your service require your written approval.
- ➤ You have the right to report a slamming dispute to federal, state or other consumer advocacy groups since the practice is unlawful and can be punishable by heavy fines.



# Hang Up On Slamming Prevention Tips

#### 1. Read your Southwestern Bell Telephone bill.

Carefully read your monthly Southwestern Bell Telephone bill and watch for changes to your service. If your long-distance provider has been changed, a switching charge of \$5 to \$6 will appear on your bill, along with the name of the new company.



#### 2. Ask questions.

If a representative from a long-distance or local service provider calls and makes an offer to switch your service, ask a lot of questions to ensure you understand what is being offered. Also, be sure to ask for a name, address and phone number, especially if the representative claims to be authorized by Southwestern Bell.

#### 3. Educate family members and office staff.

Decide who is authorized to make telecommunications decisions and communicate this to everyone in your household or office. Slammers often target children, baby-sitters, housekeepers, receptionists and other unsuspecting people.

#### 4. Read the fine print.

Never enter contests at fairs or festivals, sign "bonus checks" or respond to offers of prizes and cash solicited through the mail without first carefully reading the fine print. Some long-distance providers and affiliated promotional companies use these tactics to entice consumers to sign "entry" forms that double as an authorization to switch your service.

#### 5. Check rates.

Beware of companies that claim to save you money by "dialing around" your current long-distance company. The rates these companies offer typically are only slightly lower than the highest rates of the leading long-distance providers. Also, some dialaround companies often will keep charging you a monthly fee through your telephone bill, which may be authorized even if you use the service only once. Many customers mistakenly believe these charges represent slams.

# If You Think You've Been Slammed

- Call **1-700-555-4141** (toll-free) to verify your long-distance provider. Be sure to call from the phone line you suspect has been slammed.
- Call the company whose name and phone number appear on your phone bill. Ask who authorized the change. If the company says it has a signed authorization form, insist on seeing a copy. If the company claims it has your recorded authorization, ask to hear it.
- If the company refuses to comply with your request, or says the authorization has been lost, call Pacific Bell. If you're a residential customer, call 1-800-310-BELL (2355). If you're a business customer, call 1-800-750-BELL (2355). Pacific Bell customer service representatives will determine the status of your account and change you back to your preferred provider at no charge if you have been slammed.
- You can ask Pacific Bell to restrict your account to prevent future long-distance carrier changes without your permission.

# Telephone Customers' Bill of Rights for Slamming

Pacific Bell and government officials can not solve the problem of slamming alone. Protect yourself by understanding the problem and knowing your rights.

- I. You have the right to choose your local and long-distance service providers.
- II. You have the right to change your mind and select a different local or long-distance provider anytime you choose. There may be a charge to change your provider.
- III. You have the right to be returned to your service provider of choice at no charge if you are slammed.
- IV. You have the right to insist the offending long-distance provider reimburse you for any difference in charges for long-distance calls made during the slammed period.
- V. You have the right to request that any future changes to your long-distance company be restricted.
- VI. You have the right to report a slamming dispute to federal and state authorities and consumer advocacy groups.

Pacific Bell reports information on slamming disputes handled on your behalf to the CPUC and FCC each month. You can contact one of the following:

## California Public Utilities Commission (CPUC)

State Office Building 505 Van Ness Avenue San Francisco, CA 94102

#### The California Attorney General's Office

300 S. Spring Street Ste. 500 Los Angeles, CA 90013

## Federal Communications Commission (FCC)

Informal Complaints and Public Inquiries Branch Mail Stop Code 1600A2 2025 M Street NW Washington, DC 20554

Your Local Better Business Bureau

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# PACIFIC BELL

# Hang Up

# On Slamming

Slamming is a deceptive practice in which your local or long-distance

company is changed without your knowledge or permission.

# What Is Slamming?

Slamming is the unauthorized change of your local or long-distance service provider by another telecommunications company without your knowledge or permission. It takes away your right to make an informed choice and it is against the law.

Customers and the entire telecommunications industry lose time and money dealing with slammers. In this brochure, Pacific Bell offers tips to avoid the hassles of being slammed and advice on resolving complaints if you are slammed.

# A Growing Problem

As competition for your telecommunications dollar grows in the wake of our industry's deregulation, opportunities for unethical sales practices increase. Slammers are becoming more deceptive; in the last three years, slamming complaints have tripled. Slamming is now reported as the number one concern of telephone customers statewide.

Pacific Bell, the California Public Utilities Commission (CPUC), and the Federal Communications Commission (FCC) are taking active roles in helping customers protect themselves against slamming.

# A Pledge To Help

At Pacific Bell, we believe competition is good both for California and for you. We've spent nearly 100 years in California, building our reputation as a reliable telecommunications provider. We care about our customers and pledge to continue to help you if you are slammed.

Pacific Bell is required to process orders to change long-distance providers submitted by other telecommunications companies. Each month, we receive thousands of complaints from customers who have been slammed. Our customer service representatives serve as advocates when customers think they've been slammed. We'll make sure you are returned to the local or long-distance provider of your choice.

# Prevention Tips

- Read your Pacific Bell telephone bill carefully. If your local or long-distance provider has been changed, a switching charge will appear on your bill, along with the name of the new provider.
- Ask questions. If a representative from a local or long-distance provider offers to switch your service, be sure you understand what is being offered. Ask for a name and phone number, especially if the representative claims to act on behalf of Pacific Bell. Salespeople from other providers have begun going door to door pretending to represent Pacific Bell. It is not our practice to go door to door in residential areas.
- Guard your personal information.

  Do not give out your phone number, financial information, Social Security number, personal identification number (PIN), or any other personal information to an unknown caller.
- Educate family members and office staff. Determine who should make decisions about your telephone service and make sure everyone in your household or office knows what to do when they receive calls regarding your telephone service.

- Read the small print. Be sure to read the small print before accepting any offer. Be suspicious of gimmicks such as sweepstakes entries or unexpected checks in the mail. Slammers will use your signature on these documents as proof that you switched telephone service providers.
- Check rates. Beware of companies that claim you'll save money by dialing around your current carrier. Their rates are typically only slightly lower than the highest rates of leading carriers. Some will keep charging you a monthly fee through your telephone bill, even if you use their service only once. Many customers mistake these charges for slams.

# ■ Get additional information.

Pacific Bell offers toll-free consumer information hotlines with tips on how to prevent slamming.

English: 1-800-2INFORM

(1-800-246-3676)

Spanish: 1-800-5SERVIR

(1-800-573-7847)

You can also visit the Pacific Bell web site at **www.pacbell.com** for more information on slamming.